

General Assembly

Amendment

January Session, 2009

LCO No. 8389

SB0116208389SD0

Offered by:

SEN. WILLIAMS, 29th Dist. SEN. HANDLEY, 4th Dist. SEN. LOONEY, 11th Dist. SEN. HARP, 10th Dist. SEN. COLAPIETRO, 31st Dist. SEN. HARRIS, 5th Dist. SEN. COLEMAN, 2nd Dist. SEN. HARTLEY, 15th Dist. SEN. CRISCO, 17th Dist. SEN. LEBEAU, 3rd Dist. SEN. DAILY, 33rd Dist. SEN. MAYNARD, 18th Dist. SEN. DEFRONZO, 6th Dist. SEN. MCDONALD, 27th Dist. SEN. DOYLE, 9th Dist. SEN. MEYER, 12th Dist. SEN. DUFF, 25th Dist. SEN. MUSTO, 22nd Dist. SEN. FONFARA, 1st Dist. SEN. PRAGUE, 19th Dist. SEN. GAFFEY, 13th Dist. SEN. SLOSSBERG, 14th Dist. SEN. GOMES, 23rd Dist. SEN. STILLMAN, 20th Dist.

To: Senate Bill No. **1162** File No. 854 Cal. No. 551

"AN ACT CONCERNING EXPENDITURES OF APPROPRIATED FUNDS OTHER THAN THE GENERAL FUND."

- 1 Strike everything after the enacting clause and substitute the
- 2 following in lieu thereof:
- 3 "Section 1. Section 2-36b of the general statutes is repealed and the
- 4 following is substituted in lieu thereof (*Effective from passage*):
- 5 (a) No later than November thirtieth each year, the joint standing
- 6 committees of the General Assembly having cognizance of matters

relating to appropriations and the budgets of state agencies and finance, revenue and bonding shall meet with the Secretary of the Office of Policy and Management, the director of the legislative Office of Fiscal Analysis, and such other persons as they deem appropriate, to consider the items submitted pursuant to subsection (b) of this section.

(b) On or before November fifteenth, annually, the Secretary of the Office of Policy and Management and the director of the legislative Office of Fiscal Analysis shall each submit the following to the joint standing committees of the General Assembly having cognizance of matters relating to appropriations and the budgets of state agencies and finance, revenue and bonding: (1) [An] A consensus estimate of state revenues [,] developed in accordance with subsection (a) of section 502 of this act, an estimate of expenditures and ending balance for each fund, for the current biennium and the next ensuing three fiscal years, and the assumptions on which such estimates are based; (2) the projected tax credits to be used in the current biennium and the next ensuing three fiscal years, and the assumptions on which such projections are based; (3) a summary of any estimated deficiencies in the current fiscal year, the reasons for such deficiencies, and the assumptions upon which such estimates are based; (4) the projected balance in the Budget Reserve Fund at the end of each uncompleted fiscal year of the current biennium and the next ensuing three fiscal years; (5) the projected bond authorizations, allocations and issuances in each of the next ensuing five fiscal years and their impact on the debt service of the major funds of the state; (6) an analysis of revenue and expenditure trends and of the major cost drivers affecting state spending, including identification of any areas of concern and efforts undertaken to address such areas, including, but not limited to, efforts to obtain federal funds; and (7) an analysis of possible uses of surplus funds, including, but not limited to, the Budget Reserve Fund, debt retirement and funding of pension liabilities.

Sec. 2. (NEW) (*Effective from passage*) (a) Not later than October fifteenth annually, the Secretary of the Office of Policy and Management and the director of the legislative Office of Fiscal

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41 Analysis shall issue a consensus revenue estimate for the current 42 biennium and the next ensuing three fiscal years. If no agreement on a 43 revenue estimate is reached by October fifteenth, the Comptroller 44 shall, not later than October twenty-fifth, issue an estimate of state 45 revenues for the current biennium and the next ensuing three fiscal 46 years. In issuing the estimate required by this subsection, the 47 Comptroller shall consider the revenue estimates provided by the 48 Office of Policy and Management and the legislative Office of Fiscal 49 Analysis, and shall issue an estimate based on such revenue estimates, 50 in an amount that is equal to or between such revenue estimates.

- (b) Not later than January fifteenth annually, April thirtieth annually and July fifteenth annually, the Secretary of the Office of Policy and Management and the director of the legislative Office of Fiscal Analysis shall issue revisions to the consensus revenue estimate developed pursuant to subsection (a) of this section, or a statement that no revisions are necessary. If no agreement on revisions to such revenue estimate is reached by the required date, the Comptroller shall, not later than five days after the failure to issue such revisions, issue a revised estimate of state revenues. In issuing the estimate required by this subsection, the Comptroller shall consider the revised revenue estimates provided by the Office of Policy and Management and the legislative Office of Fiscal Analysis, and shall issue an estimate based on such revised revenue estimates, in an amount that is between such revised revenue estimates.
- 65 (c) If (1) a revised consensus revenue estimate pursuant to 66 subsection (b) of this section is issued in January, April or July of any 67 fiscal year, (2) such revised consensus revenue estimate has changed 68 from the previous consensus revenue estimate to forecast a deficit or 69 an increase in a deficit greater than one per cent of the total of General 70 Fund appropriations for the current year, (3) a budget for the 71 prospective fiscal year has not been approved by the General 72 Assembly and signed by the Governor, and (4) the General Assembly 73 is in session, then the General Assembly and the Governor shall take 74 such action as provided in subsection (d) of this section.

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(d) (1) The joint standing committees of the General Assembly having cognizance of matters relating to appropriations and finance, revenue and bonding shall, if the deadlines for favorable reports for said committees are on or before the tenth business day after a revised consensus revenue estimate is issued pursuant to subsection (c) of this section, prepare and vote on appropriation and revenue bills, if necessary to conform to such revised estimate.

- (2) The Governor shall provide the General Assembly with a budget document, prepared in accordance with the requirements of chapter 50 of the general statutes, if necessary to conform to a revised consensus revenue estimate issued pursuant to subsection (c) of this section. The budget document required by this subdivision shall be issued not later than twenty-five calendar days after a revised consensus revenue estimate is issued in January, and not later than ten calendar days after a revised consensus revenue estimate is issued in April or July.
- Sec. 3. (Effective from passage) (a) Not later than five days after the effective date of this section, the Secretary of the Office of Policy and Management and the director of the legislative Office of Fiscal Analysis shall issue a consensus revenue estimate for the biennium beginning July 1, 2009, and ending June 30, 2011. If no agreement on a revenue estimate can be reached by such fifth day, the Comptroller shall, immediately thereafter, issue an estimate of state revenues for the biennium beginning July 1, 2009, and ending June 30, 2011. In rendering the estimate required by this subsection, the Comptroller shall consider the revenue estimates issued by the Office of Policy and Management and the legislative Office of Fiscal Analysis, and shall provide an estimate based on such revenue estimates in an amount equal to or between such revenue estimates.
 - (b) Not later than ten days after the effective date of this section, the joint standing committees of the General Assembly having cognizance of matters relating to appropriations and finance, revenue and bonding, shall prepare and vote on appropriation and revenue bills, if necessary to conform to the consensus revenue estimate prepared

pursuant to subsection (a) of this section, and the Governor shall provide a budget document, prepared in accordance with the requirements of chapter 50 of the general statutes, if necessary to conform to such consensus revenue estimate.

- Sec. 4. Section 2-35 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):
- 114 (a) All bills carrying or requiring appropriations and favorably 115 reported by any other committee, except for payment of claims against 116 the state, shall, before passage, be referred to the joint standing 117 committee of the General Assembly having cognizance of matters 118 relating to appropriations and the budgets of state agencies, unless 119 such reference is dispensed with by a vote of at least two-thirds of each 120 house of the General Assembly. Resolutions paying the contingent 121 expenses of the Senate and House of Representatives shall be referred 122 to said committee. Said committee may originate and report any bill 123 which it deems necessary and shall, in each odd-numbered year, 124 report such appropriation bills as it deems necessary for carrying on 125 the departments of the state government and for providing for such 126 institutions or persons as are proper subjects for state aid under the 127 provisions of the statutes, for the ensuing biennium. In each even-128 numbered year, the committee shall originate and report at least one 129 bill which adjusts expenditures for the ensuing fiscal year in such 130 manner as it deems appropriate. Each appropriation bill shall specify 131 the particular purpose for which appropriation is made and shall be 132 itemized as far as practicable. The state budget act may contain any 133 legislation necessary to implement its appropriations provisions, 134 provided no other general legislation shall be made a part of such act.
 - (b) The state budget act passed by the legislature for funding the expenses of operations of the state government in the ensuing biennium shall contain a statement of estimated revenue, <u>developed in accordance with the provisions of section 2 of this act</u>, itemized by major source, for each appropriated fund. The statement of estimated revenue applicable to each such fund shall include, for any fiscal year,

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an estimate of total revenue with respect to such fund, which amount shall be reduced by (1) an estimate of total refunds of taxes to be paid from such revenue in accordance with the authorization in section 12-39f, and (2) an estimate of total refunds of payments to be paid from such revenue in accordance with the provisions of section 4-37. Such statement of estimated revenue, including the estimated refunds of taxes to be offset against such revenue, shall be supplied by the joint standing committee of the General Assembly having cognizance of matters relating to state finance, revenue and bonding. The total estimated revenue for each fund, as adjusted in accordance with this section, shall not be less than the total net appropriations made from each fund. On or before July first of each fiscal year said committee shall, if any revisions in such estimates are required by virtue of legislative amendments to the revenue measures proposed by said committee, changes in conditions or receipt of new information since the original estimate was supplied, meet and revise such estimates and, through its cochairpersons, report to the Comptroller any such revisions."

This act shall take effect as follows and shall amend the following sections:		
Section 1	from passage	2-36b
Sec. 2	from passage	New section
Sec. 3	from passage	New section
Sec. 4	from passage	2-35

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